

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

J.Chokka Rao Devadula Lift Irrigation Scheme – M/s HCC-NCC JV – Request for release of amounts recovered from R.A Bills towards interest on Part Payments – Orders – Issued.

-----

**IRRIGATION & CAD (PW.MAJ.IRR.IV.1) DEPARTMENT**

**G.O.Rt.No. 163**

**Dated: 02-03-2009**

**Read the following:**

1. From the Project Manager, HCC-NCC JV, Lr. dt. 16-11-2007.
2. Govt.Memo.No.33502/Maj.Irr.IV.1/07, dt. 26-07-2008.
3. Minutes of the Advisor's Committee dt. 08-08-2008 received from the Engineer-in-Chief (IW), Lr.No.EnC/IW/P&M/E.1/DEE.8/ 300807/07, dt. 08-08-2008
4. From the Chief Engineer, GLIS, Lr.No.CE/GLIS/DCE/OT1/TS4/Camp.No. 253, dt. 29-09-2008.

\*\*\*\*\*

**ORDER:**

In the ref. 1<sup>st</sup> read above, M/s HCC-NCC (JV), executing the works of JCR Devadula Lift Irrigation Scheme, Phase-II, have requested to release the amounts recovered from R.A.Bills towards interest on Part Payments. The Engineer-in-Chief has furnished the minutes of the Advisor's Committee vide 1<sup>st</sup> read above, in which the Committee opined that in World Bank Agreements, payment is made on the materials collected at site and in the present case the payment was made at the rate of 63% and 59.50% to the extent of materials procured and pipes manufactured leaving for epoxy coating and it can be treated as part payment and interest need not be levied since it is the payment made against the material procured and being utilised on work and the Committee recommended to consider the request. The Chief Engineer, GLIS in his letter 4<sup>th</sup> read above has also submitted that due to the delay in final approval of thickness of epoxy lining there was a huge blockage of unlined pipes and to maintain the cash flow of the project as per agreement clause 14.3 & 14.6 of booklet 3/8 page no.83, the Executive Engineers have released the part payments to the extent of work done, hence, it may not be considered as advance payment.

2. In view of the above recommendations, Government observes that the interim payment made for manufacture and procurement of pipes in the JCR Devadula Lift Irrigation Scheme has to be examined as per Addendum-I, Part-III read with clause 14.4 of the agreement, which allows for making payment through revised installments. Therefore, the payment made cannot be treated as advance payment and is strictly in accordance with the agreement conditions and shall not be liable to interest.

3. Government therefore, after careful consideration permit the Chief Engineer, GLIS to release the amounts recovered from R.A.Bills towards interest on Part Payments to the agency M/s HCC-NCC (JV), executing the works of JCR Devadula Lift Irrigation Scheme, Phase-II. The Chief Engineer, GLIS, shall work out the actual amount recovered from R.A.Bills towards interest and intimate to the Government.

4. This order issues with the concurrence of Finance (W&P) Department vide their U.O.No.Sp.16059/F4(1)/08-1, dt. 24-01-2009.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**ADITYA NATH DAS  
SECRETARY TO GOVERNMENT**

To  
The Chief Engineer, GLIS,  
K.C.Colony, Chintagattu,  
Warangal.

SF/Spare.

//FORWARDED BY ORDER//

**SECTION OFFICER**